

REGULAR COUNCIL MEETING

A G E N D A

TOWN OF CHINCOTEAGUE

October 19, 2006 - 7:30 P.M. - Council Chambers - Town Hall

CALL TO ORDER

INVOCATION BY COUNCILMAN HOWARD

PLEDGE OF ALLEGIANCE

OPEN FORUM / PUBLIC PARTICIPATION

AGENDA ADDITIONS/DELETIONS AND ADOPTION:

1. Consider Adoption of the Minutes
 - Regular Council Meeting of October 2, 2006 (Page 2 of 36)
2. Presentation County Assessment, Tri-County Appraisers – Bill Coulson
(Initiated by Honorable Ms.Wanda Thornton)
 - **Public Hearing**
3. Rec. & Comm. Enh. Committee Report of Sept 14, 2006
(Councilwoman Speidel) (Page 6 of 36)
4. Chincoteague Convention Center Authority Report of Sept 25, 2006
(Councilwoman Conklin) (Page 7 of 36)
5. Ordinance Committee Meeting Report of September 13 & 18, 2006
(Councilman Ross) (Page 9 of 36)
6. Safety Advisory & Transportation Comm. Report of October 5, 2006
(Mayor Tarr) (Page 10 of 36)
7. Software Purchase, (Harris Company) (Page 12 of 36)
8. Mayor & Council Announcements or Comments
(Note: Roberts Rules do not allow for discussion under comment period)

ADJOURN:

**MINUTES OF THE OCTOBER 2, 2006
CHINCOTEAGUE TOWN COUNCIL MEETING**

Council Members Present:

John H. Tarr, Mayor
Anita Speidel, Vice Mayor
Nancy B. Conklin, Councilwoman
Terry Howard, Councilman
Ellen W. Richardson, Councilwoman
E. David Ross, Councilman
Glenn B. Wolfe, Councilman

Call to Order

Mayor Tarr called the meeting to order at 7:30 p.m.

Invocation

Councilman Howard offered the invocation.

Pledge of Allegiance

Mayor Tarr led the Pledge of Allegiance.

Public Participation

- Mrs. Dorothy Troxler stated that she felt more directional signs indicating directions to the beach are needed north of the Main Street and Maddox Boulevard intersection for southbound traffic coming from North Main Street. She also stated that the downtown restrooms need to be refurbished as there are several broken fixtures and the toilet seats and linoleum flooring are worn.
- Mr. Anthony Smith, a local U.S. Marine who served in Iraq, presented the Mayor and Council with an American flag which was flown in Iraq on Pony Penning Day to honor Chincoteague.

Agenda Additions/Deletions and Adoption

Councilman Howard motioned, seconded by Councilman Wolfe, to adopt the agenda with the addition of item number seven, *Closed Session for Discussion of Personnel Matters*. The motion was unanimously approved.

1. Approval of Minutes of the September 21, 2006 Council Meeting.

Councilman Wolfe motioned, seconded by Vice Mayor Speidel, to approve the minutes as presented. The motion was unanimously approved.

2. Presentation and Resolution in Honor of J. Wesley Jeffries.

Mayor Tarr presented Mr. Jeffries with a plaque and read the following resolution in honor of Mr. Jeffries's retirement and years of service. Council thanked Mr. Jeffries for his service and dedication to the Town.

RESOLUTION OF THE CHINCOTEAGUE TOWN COUNCIL

WHEREAS, Mr. J. Wesley Jeffries has served the Town of Chincoteague with dedicated interest and devotion to duty for many years in many capacities; and

WHEREAS, Mr. Jeffries has announced his plans to retire on September 30, 2006 and has been honored by the Town Council, co-workers and friends, who are deeply appreciative of his many contributions to the community through the years;

THEREFORE, by virtue of the authority vested in me as Mayor, and on behalf of the Town Council and all our citizens, I do hereby tender this Resolution to Mr. J. Wesley Jeffries extending our best wishes to him for much success and happiness in the future.

DATED this 2nd day of October, 2006.

Attest:

John H. Tarr, Mayor

Robert G. Ritter, Jr., Town Manager

3. Budget and Personnel Committee Report of August 8, 2006.

- **Amendment to Section 109 – Conflicts of Interest, Employee Handbook-** Councilman Wolffe motioned, seconded by Councilwoman Richardson, to amend Section 109 – Conflicts of Interest of the Employee Handbook to include the new language “*No mayor or member of Council shall be an employee of the Town and upon the qualifications of any such person for such position, his or her employment shall cease.*” The motion was unanimously approved.
- **Request from EMS Personnel, Reimbursement for Cell Phones-** Councilman Howard motioned, seconded by Councilwoman Richardson, to authorize reimbursement to the three Emergency Medical Service personnel of \$25.00 per month on their paycheck for cell phone use. The motion was unanimously approved.

4. Project No. 06-09-002, Emergency Repair, Harbor Boat Ramp.

Public Works Director Cosby explained that there is a large hole in the center of the Harbor boat ramp and that adequate funding exists in the boat ramp repair reserve to repair the ramp. Mayor Tarr stated that five bids were solicited and that two bidders

responded, with the lowest bid in the amount of \$23,500 from Fisher Marine Construction, Inc.

Councilman Wolffe motioned, seconded by Vice Mayor Speidel, to award the emergency repair of the Harbor boat ramp to Fisher Marine Construction, Inc. in the amount of \$23,500. The motion was unanimously approved.

5. *Software Purchase.*

Town Manager Ritter explained that Staff has spent a considerable amount of time reviewing software from many different companies and has recommended that Harris Computer Systems be awarded the upgrade of the Town's software.

Several Council members had specific questions that need to be researched. Councilman Wolffe motioned, seconded by Councilman Howard, to postpone making a decision on this matter until Staff can ascertain answers to Council's questions. The motion was unanimously approved.

6. *Mayor and Council Announcements or Comments.*

- Public Works Director Cosby introduced Mr. Wade Easton as the new Roads Supervisor. Mayor Tarr welcomed Mr. Easton to his new position. Public Works Director Cosby also thanked Mr. Jeffries for his help and dedication to the Town
- Town Manager Ritter also thanked Mr. Jeffries for his help, hard work and dedication to the Town.
- Councilwoman Richardson announced that the Planning Commission will meet on October 5 at 7:30 pm to discuss signs. She also invited all to attend the Open House at the Oyster and Maritime Museum at 1:00 pm on October 8.
- Vice Mayor Speidel requested that a cost comparison between companies be included with future presentations to Council when major purchases are being considered.
- Councilman Ross thanked Mr. Jeffries for all of his help and hard work. He also asked Town Manager Ritter why the Council Information Items list has not been included in Council's packets recently. Town Manager Ritter responded that he would put the action items list in Council's mailboxes or email the list to Council. Councilman Ross asked about the status of the missing Pension Street sign at the end of Ocean Boulevard. Public Works Director Cosby responded that the sign has been ordered. Councilman Ross also recommended that a sign be posted on the bicycle trail on Deep Hole Road.
- Councilman Wolffe requested that the Public Works Department research Mrs. Troxler's requests made earlier in the meeting. He also asked if the parking lots/roads matter will be discussed in an upcoming Council meeting. Councilman Wolffe thanked Mayor Tarr and Town Manager Ritter for moving the informational meeting with Redman/Johnston to Monday, October 9.
- Councilman Howard thanked Mr. Jeffries for his hard work and service to the Town and to the community. He announced that the Harbor Committee will meet on October 11 at 7:30 pm and that the Cemetery Committee will meet on October 24 at 5:30 pm.

7. Closed Meeting in Accordance with Section 2.2-3711(A)(1) of the Code of Virginia for Discussion of Personnel Matters.

Councilman Howard motioned, seconded by Councilman Wolffe, to convene a closed meeting under Section 2.2-3711(A)(1) of the Code of Virginia to discuss personnel matters. The motion was unanimously approved.

Councilman Howard motioned, seconded by Councilwoman Richardson, to reconvene in regular session. The motion was unanimously approved.

Councilwoman Richardson motioned, seconded by Vice Mayor Speidel, to adopt a resolution of certification of the closed meeting.

WHEREAS, the Chincoteague Town Council has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711(A)(1) of the Code of Virginia requires a certification by this Town Council that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Chincoteague Town Council hereby certifies that to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Town Council.

VOTE: Ayes- Conklin, Howard, Richardson, Ross, Speidel, Wolffe
Nays- None
Absent- None

Councilman Wolffe motioned, seconded by Councilwoman Richardson, to authorize the Town Manager to issue a bonus pay check in the amount of \$3,500.00 to Mr. Jack Van Dame for all of his hard work and dedication for the past year as the Trolley Manager. The motion was unanimously approved.

Adjournment of Meeting

Mayor Tarr announced that the next meeting will be on October 19, 2006 at 7:30 pm. Councilwoman Richardson motioned, seconded by Councilman Howard, to adjourn the meeting. The motion was unanimously approved.

Mayor

Town Manager

Recreation and Community Enhancement Committee
September 14, 2006
MINUTES

MEMBERS PRESENT:

Hon. Anita Speidel, Chairman
Hon. Ellen Richardson
Hon. David Ross
Bob Conklin
Gene Taylor

MEMBERS ABSENT:

Cathy Plant
Jack Van Dame
Marguerite Wolffe

Rob Ritter, Town Manager
Mike Cosby, Director of Public Works
Kenny Lewis, Building and Zoning Administrator

Chairman Speidel called the meeting to order at 5:30 pm.

Mrs. Richardson motioned, seconded by Mr. Ross, to adopt the agenda as presented. The motion was unanimously approved.

1. Report on Old CES Gymnasium.

Mr. Tom Derrickson updated the Committee on the status of the old CES gym.

2. Proposed Weed Ordinance, Section 66

Mr. Lewis explained the history of the past Weed Ordinance as well as the proposed ordinance. There was a lengthy discussion regarding certain specifications of the proposed ordinance.

Mr. Ross motioned, seconded by Mr. Conklin, to return the proposed Weed Ordinance to staff to make revisions as recommended by the Committee and to resubmit the revised Ordinance to the Committee for consideration. The motion was unanimously approved.

3. Committee Member Comments.

- Mr. Taylor asked about the status of extending the Island Nature Trail across Hallie Whealton Smith Drive. Mr. Ritter stated that he would research it and place it on the next meeting agenda.
- Mr. Conklin stated that a sign needed to be erected for the Island Nature Trail.
- Chairman Speidel commented that Hallie Whealton Smith Drive needed to be lined for a bike trail and/or walkway.

Mrs. Richardson motioned, seconded by Mr. Conklin, to adjourn the meeting. The motion was unanimously approved.

The next meeting is scheduled for October 12, 2006 at 5:30 pm.

CHINCOTEAGUE RECREATION & CONVENTION CENTER AUTHORITY
MINUTES

September 25, 2006

Members Present:

Mr. Bill Chrisman, Chairman
Hon. Nancy Conklin
Mr. Bill Fallon
Mr. Bill McComb
Mr. Steve Potts

Staff Present:

Therese Hamilton, Director

Others Present:

Amy Bull
Scott Chesson
Tom Derrickson
Donna Leonard
Donna Mason
Susan Stubbs

Chairman Chrisman called the meeting to order at 3:00 pm.

1. Visitors/Community Discussion. There was a lengthy discussion regarding possible community involvement in future Center activities.

1. Approval of Minutes of the August 14, 2006 Meeting. Mrs. Conklin motioned, seconded by Mr. Fallon, to approve the minutes as presented. The motion was unanimously approved.

2. Treasurer's Report. Mr. Potts read the Treasurer's Report. Mrs. Conklin motioned, seconded by Mr. Fallon, to approve the treasurer's report as presented. The motion was unanimously approved.

3. Director's Report. Director Hamilton updated the members on the status of the Fall Craft Show. She mentioned the plan for concessions at the event. Director Hamilton reported on the status of the Debby Boone Christmas Show, including confirmed sponsorship.

Director Hamilton mentioned several events recently held at the Center including the Perdue employee dinner, the YMCA activities, two weddings, the Dallas Holm concert, the Decoy and Art Show and the Square Dance Festival.

Director Hamilton reported that the current mileage rate for travel reimbursement is 44.5 cents per mile. She also distributed the audit report to the members and noted that the Center received a good report.

Director Hamilton reported on recent building maintenance including new interior paint, new gravel in the driveway, repair of the movable walls and the Verizon DSL installation. She added that Boggs Water and Sewer installed the new septic tanks as part of the kitchen upgrade. Director Hamilton stated that she had a luncheon with the Trane representatives to discuss the past heating and air conditioning problems.

Director Hamilton mentioned several upcoming events including the Fall Craft Show, the Sanctified Church Revival and the AARP driving class.

4. Adjournment. Chairman Chrisman announced that the next meeting will be on October 9, 2006. Mr. McComb motioned, seconded by Mr. Fallon, to adjourn the meeting. The motion was unanimously approved.

Ordinance Committee Meeting
13 & 18 September 2006
MINUTES

Chairman Ross called the meeting to order at 5:30 pm.

Present: Hon. David Ross, Chairman
 Hon. Nancy Conklin
 Hon. Terry Howard

Mrs. Ellen Richardson
Dr. Glenn Wolffe
Mr. Rob Ritter, Town Manager
Mr. Kenny Lewis, Zoning Administrator

Mr. Howard motioned, seconded by Chairman Ross, to adopt the agenda as presented. The motion was unanimously approved.

1. Public Participation.

- Mrs. Richardson asked Mr. Lewis about the changes in the proposed Floodplain Ordinance on manufactured homes. Mr. Lewis explained the differences regarding campers, mobile homes and manufactured homes.
- Chairman Ross motioned, seconded by Councilman Howard, to allow non-Committee Council members that are present to participate in the discussion of the following agenda items. The motion was unanimously approved.

2. Adoption of the new Flood Plain Ordinance (Chapter 30, Floods).

Mrs. Conklin motioned, seconded by Councilman Howard, to adopt the new Floodplain Ordinance, Chapter 30 – Floods, as amended [*which includes the deletion of Sec. 30-14(b)(4) **Topographic information showing existing and proposed ground elevations***] and to send the proposed amended ordinance to Council for consideration. The motion was unanimously approved.

Mrs. Conklin motioned, seconded by Mr. Howard, to adjourn the meeting. The motion was approved unanimously.

The next meeting is scheduled for Wednesday, 11 October 2006 at 5:30 pm.

Safety & Transportation Committee Meeting
5 October 2006
MINUTES

Chairman Tarr called the meeting to order at 5:30 pm.

Present:	Hon. John H. Tarr, Chairman Hon. David Ross Hon. Glenn Wolffe Mr. Edward Lewis, Chief of Police Mr. Bryan Rush, Emerg. Svcs. Coord. Mr. Jack Van Dame, Trolley Manager Mr. Rob Ritter, Town Manager	Others Present: Mr. John Nelson Jester
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Public Participation

- Mr. Dennis Cope explained the complications he experienced at the local radio station during Tropical Storm Ernesto.

Dr. Wolffe motioned, seconded by Mr. Ross, to adopt the agenda. The motion was unanimously approved.

1. Emergency Management Report

A. Tropical Depression Ernesto – Mr. Rush updated the members on Federal Disaster Assistance for the Town. He added that the Town will be eligible for about 75% of the assistance funds.

B. Reverse 911 Results – Mr. Rush stated the system was utilized during the storm to inform residents that the causeway was closed. There was a brief discussion about ways to improve the system.

C. Pandemic Flu – Mr. Rush reported that the summit was held on August 8 to inform localities about planning for the flu as well as other illnesses.

D. Supplies – Mr. Rush stated that he was contacted by several vendors that sell prepackaged meals. He stated that the meals have a shelf-life of two years, but are quite expensive. Mr. Rush did not recommend purchasing the prepackaged meals at this time.

E. Planning – Mr. Rush asked Mr. Jester if he had anything he thought should be added to the Disaster Plan. Mr. Jester offered several suggestions for the plan. Mr. Rush stated that he and Mr. Jester will meet to discuss the plan further.

F. Communications – Mr. Rush stated that the Charter Communications franchise states that the Town has voice-over capability to send an emergency information message to cable subscribers during regularly scheduled programs.

G. Training – Mr. Rush stated that he will attend the annual VDEM Coordinators Briefing as well as a conference in Williamsburg in November. He also stated that his staff and the Fire Company will train children at the local schools and day cares during Fire Prevention Week.

2. Closed Meeting in Accordance with Section 2.2-3711(A)(1) of the Code of Virginia

Dr. Wolffe motioned, seconded by Mr. Ross, to convene a closed meeting to discuss police legal matters. The motion was unanimously approved.

Dr. Wolffe motioned, seconded by Mr. Ross, to reconvene in regular session. The motion was unanimously approved.

Mr. Ross motioned, seconded by Dr. Wolffe, to adopt a resolution of certification of the closed meeting.

WHEREAS, the Chincoteague Safety & Transportation Committee has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711(A)(1) of the Code of Virginia requires a certification by this Committee that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Chincoteague Safety & Transportation Committee hereby certifies that to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Committee.

VOTE: Ayes- Ross, Tarr, Wolffe
Nays- None
Absent- None

Mr. Ross motioned, seconded by Dr. Wolffe, to adjourn the meeting. The motion was unanimously approved.

The next meeting is scheduled for Thursday, November 2, 2006 at 5:30 pm.

MEMORANDUM

TO: Mayor Tarr and Town Council

FROM: Robert G. Ritter, Jr., Town Manager

DATE: October 18, 2006

SUBJECT: Software Upgrade

Staff and I have reviewed the questions that were presented at the last Council meeting, and have responded to the all the questions see attached. Mr. Joe LaBuda will be at the meeting to answer any further questions that you may have. The current FY “07” budget has \$ 42,368.00 set aside for software:

- | | | |
|----|--------------------------------|--------------------|
| 1. | Southern Software | \$49,142.80 |
| 2. | Harris Computer Systems | \$38,135.00 |

Staff and I are recommending to the Mayor & Council the following motion:

“Move to award the upgrade of the Town’s software to Harris Computers in the amount of \$38,135.00 plus travel and lodging cost, and for the Town Manager to execute the contract documents.”

Software

The quote from Harris includes software upgrades which we currently have with Harris, software that is still with Manatron and some items which Harris offers that we felt would be an enhancement to Town operations. We currently have the meter reading software, however our device has been unrepairable for several years. If the Town wanted to later purchase a new meter reading device, then the software would be in place. If we do not take the software now and want to get it later we will be charged for the software at a higher cost. The auto decal, advanced budgeting, and account bar-code subsystem are enhancements. The new receipt printer and cash drawer would be required by any software we would use as the Town's current receipt printer and cash drawer are approximately 15 years old.

eCommerce

The iConnect or ecommerce that is proposed has a one time set up charge of \$900 for setup and configuration for account inquiry and a one time set up charge of \$900 for setup for configuration of ebill. This option in no way replaces Flexibill which is the utility billing program. IConnect account inquiry will allow water customers to view their account online with a link through our current website. It is not hosted on our web server, but on Harris' web server. Customers can review account history up to two years. The ebill portion will allow us not to print a water bill, but in the same process send an email to the customer notifying them that their bill has been posted to their account. Epayment will allow customers to then pay their bill online with a credit card. The initial credit card merchant account setup fee is \$49.00. Just to use the water account inquiry it will cost \$125 per month plus \$0.03 per account in excess of 1000 account. Based on 3000 account the cost for online water bill account inquiry will be \$2,200.00. We believe that our customers especially those that do not live here year round would appreciate this service.

Ebill is an option providing customers with the ability to receive an email notification that their bill has been posted to their account. Customers would need to sign up for this service and would no longer receive a printed bill in the mail. It is estimated that a paper bill currently cost \$1.00 to \$2.00 to process (paper cost, postage, ink, labor etc.). The cost to the Town would be the initial setup and \$0.40 per notification to customer. There is no way to know how many of our customers would signup for this service, but the fees after initial setup would only be for those customers that signup for this service. If 1500 customers signup for this service the annual cost would be \$2,400.00 (1500 x \$0.40 x 4 bills per year).

Epayment allows customers to pay their bill online using a credit card. If we choose to offer this service it would allow customers as they view their ebill to click on a button that says "Pay Now". Currently the Town offers customers the opportunity to pay by credit card online or via a toll-free telephone number using Official Payments. Official

Payments charges the customer a fee for using this service. With ePayment there are credit card flat charges and fees for usage which will be charged to the Town. After initial setup fee of \$49.00, there is an annual charge to the Town of \$29.95 to maintain the account. In addition, there is a \$29.95 monthly charge plus \$15.00. Then there are fees based on dollar usage. We estimated very high, because at this time we do not know what the usage will be. This service is optional, but in was included in the quote at our request to provide our customers with convenience options.

Should the Town choose not to use any of the ecommerce options the reduction on the quote would be \$1,800.00 only. If we should decide later to offer ecommerce it may cost the Town more.

Annual Maintenance Cost

Currently the Town pays the following amounts for software maintenance annually:

Harris Computers	\$5,308.00
Manatron	\$6,454.00
Manatron (tax conversion – 2005 taxes)	\$ 750.00

The amounts quoted for annual maintenance will go into affect upon that software application's implementation by the Town. Harris will prorate the current amount paid for the number of usage months and will also prorate the quoted annual maintenance cost for the number of usage months. Therefore, the Town may not have to pay any additional amount for the first year.

Travel and Lodging

The \$200.00 per day figure is a not-to-exceed figure for meals, lodging and mileage for the trainer. Harris employees have a per diem for travel and this figure is the charge back to the Town. We asked for a not-to-exceed figure vs. an estimate of \$200.00 per day. With the estimated 15 day of onsite training in the quote, this amount would be not-to-exceed \$3,000 for training.

Additional Training

This cost would only be applied should the Town require additional training beyond the 15 estimated within the quote. Should the Town in the future hire new employees that need training from Harris, they will charge for that additional onsite training at \$900 per day plus travel, lodging and per diem expenses. Additional telephone training is available at \$125.00 per hour. This is not software support for problems and questions. Software support is covered in the annual maintenance fees.

Other Bid

The bid from Southern Software is attached. The software price including accounting, budget preparation, account payable, utility billing and collections, payroll, business license, cash management, and tax billing and collection is \$23,980.00. This does not include purchase orders, meal and lodging tax, auto decals, ecommerce and the bar-code scanning. Southern's fee for project management is \$7,162.80. Their conversion fee is \$10,000 for utility billing customer information only, business license customer information, tax data customer information only of customers with outstanding balances. Southern was going to write a meals and lodging program for the Town for \$3500.00 and charge \$1000.00 annually for county tax information conversion. All other information would need to be entered by Town employees. The meals and lodging program would not be delivered until December 31, 2007. While in discussions with Southern they informed us that due to programming obligations, they would not be able to perform any conversions or write the meals and lodging program for 18 months. That is why we are now in negotiations with Harris.

In looking at various software vendors there were four important factors: current Virginia tax customers, conversion of account information, additional hardware costs and overall costs. These are the factors that narrowed the field to two vendors. When Southern informed us that they could not convert our current information they backed out of their proposal.



Southern Software, Inc.

Agency: Chincoteague, VA
Contact: Karen Hipple
Date: 7/25/2006

CITI-PAK™		Qty
Citi-Pak™	ACCOUNTING SYSTEM INCLUDES ACCOUNTS PAYABLE, GENERAL LEDGER, BUDGET PREPARATION AND DUAL YEAR POSTING	1
	UTILITY BILLING AND COLLECTIONS	1
	PAYROLL	1
	BUSINESS LICENSE	1
	CASH MANAGEMENT	1
	TAX BILLING AND COLLECTIONS	1
Total Software:		\$23,980.00

PROJECT MANAGEMENT

Project Management Fee INSTALLATION, TRAINING AND A PROJECT MANAGER.

Total Project Management: \$7,162.80

YEARLY SUPPORT

Citi-Pak™ Support CITI-PAK™ ANNUAL SUPPORT FEE COVERS TELEPHONE AND MODEM SUPPORT. THIS INCLUDES PROGRAM UPDATES AS RELEASED. **1 YEAR**

Total Support: \$4,500.00

CONVERSION

UTILITY BILLING DATA

CUSTOMER INFORMATION ONLY

BUSINESS LICENSE DATA

CUSTOMER INFORMATION ONLY

TAX DATA

CUSTOMER INFORMATION ONLY (OF CUSTOMERS WITH
OUTSTANDING BALANCES)
DATA ENTRY OF THE OUTSTANDING BALANCES

Total Conversion:

\$10,000.00

TOTAL INVESTMENT (STATE TAX AND SHIPPING NOT INCLUDED)

\$45,642.80

NOTE: DUE TO A CONSTANTLY CHANGING MARKET, SOUTHERN SOFTWARE'S SOFTWARE PROPOSALS WILL BE HONORED FOR A PERIOD OF SIXTY (60) DAYS AND HARDWARE PROPOSALS FOR A PERIOD OF THIRTY (30) DAYS. WE WILL BE GLAD TO RESUBMIT AT YOUR REQUEST.

NOTE: CITI-PAK™ INCLUDES THIRTY (30) DAYS OF FREE TELEPHONE SUPPORT AND REGULAR UPDATES TO INSURE YOUR TOWN A STATE OF THE ART PRODUCT.

NOTE: PROJECT MANAGEMENT FEES INCLUDE TRAINING, INSTALLATION AND PROJECT MANAGEMENT.

NOTE: TO CONVERT DATA FROM ONE VENDOR TO ANOTHER HAS INHERENT LIMITATIONS. DATA FIELDS MAY NOT ALWAYS MATCH OR BE IN COMPATIBLE FORMATS. DATA MAY OR MAY NOT BE READABLE OR IN A FORMAT THAT CAN BE READ (I.E. COMPRESSED OR ENCRYPTED). IT IS OUR STANDARD PROCEDURE TO DELIVER A COMPLETE CONVERSION WHEN ATTEMPTING THIS TASK. WE WILL EXPLORE ALL WAYS IN ATTEMPTING THIS CONVERSION, HOWEVER WE CANNOT GUARANTEE A 100% CONVERSION.

NOTE: CITI-PAK™ TRAINING, IF NEEDED IS AVAILABLE AT THE RATE OF \$850 PER DAY. A DAY IS CONSIDERED A FIVE TO SIX-HOUR SESSION. ALL EXPENSES TO AND FROM YOUR SITE DURING THE TRAINING PERIOD ARE COVERED BY SOUTHERN SOFTWARE.

NOTE: SOUTHERN SOFTWARE WILL INSTALL ITS SOFTWARE PRODUCTS ONLY ON COMPUTER CONFIGURATIONS COMPATIBLE WITH THESE PRODUCTS. HARDWARE SPECIFICATIONS ARE AVAILABLE UPON REQUEST.

Contact information for Citi-Pak Sales Representative:

Cameron Dew
Southern Software
150 Perry Drive
Southern Software, NC 28387

Business: 800.842.8190
Mobile: 910.638.8802
E-Mail: cdew@southernsoftware.com

CITI-PAK™ TAX DATA CONVERSION

TO BE PURCHASED AT TIME OF CONVERSION

TAX DATA

REAL ESTATE DATA

\$500.00

PERSONAL PROPERTY DATA

\$500.00

DATA MUST BE IN COMPATIBLE FORMAT FOR A SUCCESSFUL CONVERSION

Total Tax Data Conversion: \$1,000.00

* STANDARD ANNUAL FEE FOR TAX DATA CONVERSION IS \$750 FOR REAL ESTATE DATA AND \$750 FOR PERSONAL PROPERTY DATA

TOTAL FUTURE INVESTMENT (STATE TAX AND SHIPPING NOT INCLUDED)

\$1,000.00

Town of Chincoteague has requested a Meals /Transient Occupancy Tax Module in addition to those Citi-Pak™ modules listed in **Description of Goods and Services**. Southern Software, Inc. agrees to deliver this module on or before December 31, 2007. **Please note: a signed contract must be received by Southern Software no later than September 1, 2006 to maintain this price and delivery date.** Town of Chincoteague agrees to pay the following upon delivery of this module:

CITI-PAK™

Qty

Citi-Pak™

MEALS / TRANSIENT OCCUPANCY TAX

1

Total Software: \$3,500.00

TOTAL INVESTMENT (STATE TAX AND SHIPPING NOT INCLUDED)

\$3,500.00

DESCRIPTION OF GOODS AND SERVICES

- CITI-PAK™ - a WINDOWS® 32 BIT APPLICATION
 - ❖ **Accounting System** - A complete fund accounting system in a Windows® based format, General Ledger automates accounts payable and cash receipts. This system stores vendor information, tracks open payables, and maintains a vendor transaction history as well as printing checks. The user can post entries in both the current and the new fiscal years.
 - ❖ **Utility Billing and Collections** - Our Windows® Utility Billing module automates the collecting of readings, preparing utility bills, maintaining customer records, collecting payments, and printing/tracking work orders. *Interfaces to numerous handheld meter reading devices.
 - ❖ **Tax Billing and Collections** - Like the Utility Billing and Collections module, this program maintains detailed records for the billing and collection of property taxes including the PPTRA and has complete reporting capability.
 - ❖ **Payroll** - A flexible system that accommodates employees working in more than one department as well as bonus pay and pre-tax deductions. This Windows® based module maintains employee information, calculates earnings, tax withholding, deductions and various state reports. It also prints payroll checks.
 - ❖ **Cash Management** - The Cash Management module is a point of collection automated cash receipts printer, cash drawer, or a combination of both that interfaces with the other billing and collection modules.
 - ❖ **Business License** - The Business License system provides an automated way for billing and tracking business licenses. This Windows® based module provides that ability to bill using categories as well as the choice in methods to use for calculating the charges. A complete customer history is stored for all customers which provides for many useful reports.
- Project Management and Training – Includes installation, training and a project manager.
- Citi-Pak™ Support 8/5 (See attached Support Agreement)
- * Utility Billing Data Conversion (Customer Data - To include customer information. Names, addresses, etc. as well as meter information, current readings, etc.)
- * Business License Data Conversion (Customer Data)
- * Tax Billing Data Conversion (Customer Data - To include customer information of those with a balance due. Include names, addresses, etc.)
- Entry of Tax Billing Outstanding Balances Only

Note: Future deliverables include Tax Data Conversion of County Real Estate and Personal Property data (to be paid for at time of conversion) and Transient Occupancy/Meal Tax Module (to be paid for at time of delivery)

SCHEDULE OF INSTALLATION/TERMS AND CONDITIONS

- Installation to commence on or about when both parties mutually agree on a date not to exceed 90 working days from receipt of signed contract.
- Pre-Installation responsibilities are as follows:

Southern Software Responsibilities:

1. Load, configure and test all products on the appropriate machines
2. Train appropriate staff in the entry of specific information necessary to begin implementation of all software products
3. Provide qualified training personnel for applicable software

TRAINING SESSIONS

Dates for training to be determined.

- **For a more effective training session, we recommend that the personnel being trained are free from their normal work duties. The success of this project depends on how well this phase of the contract is implemented.**

Tentative Training Schedule:

General Ledger/Accounts Payable - 2 days

Payroll - 1 day

Business License/Cash Management - 1 day

Utility Billing - 2 days

Property Taxes - 1 day

Training Tasks:

General Ledger

- Configure the User Setup/Account Structure section.
- Set Fiscal Periods.
- Set Allowable Posting Dates.
- Enter some of the funds and accounts in the chart of accounts. These should include any that are used by Payroll.
- Set up the banks under Bank Maintenance.
- Show the customer how to enter beginning balances for each account.
- Show the customer how to enter the budget figures.
- Show the customer how to enter a general journal entry.
- Show the customer how to enter a cash disbursement.
- Show the customer how to enter a cash receipt.
- Show the customer how to run the different reports.
- Show the customer how to grab transactions from the other modules.

Accounts Payable

- Show the customer how to enter vendors.
- Show the customer how to enter an invoice and process checks to pay the invoices.
- Show the customer how the Purchase Order section works.
- Show the customer how to run the different reports.

Payroll

- Complete the Control File Maintenance section.
- Show the customer how to enter the employees.
- Show the customer how to enter all of the year-to-date totals for the employees through the manual transaction process.
- Show the customer how to process a payroll run.
- Show the customer how to run the different reports.

Utility Billing

- Complete the System Setup section. This includes Billing Configuration, Rate Table Maintenance, Group Code Maintenance, Work Order Defaults and Late Notice Letter.
- Show the customer how to enter accounts.
- Show the customer how to enter adjustments to get the balances on the accounts before the first billing cycle.
- Show the customer how to enter meter readings.
- Show the customer how to run utility bills.
- Show the customer how to set accounts to final and go through the final bill processing.
- Show the customer how to enter payments and deposits.
- Show the customer how to refund or apply deposits.
- Show the customer how to run the different reports.

Business License

- Show the customer how to enter category codes.
- Show the customer how to enter businesses.
- Show the customer how to enter outstanding balances.
- Show the customer how to run the different reports.
- Show the customer how to run business licenses and post the charges.
- Show the customer how to take payments.

Cash Management

- Show the customer how to enter miscellaneous category codes.
- Set up passwords if necessary for voiding and adjusting payments.
- Show the customer how to enter payments.
- Show the customer how to void payments.

Property Taxes

- Complete the System Setup section. This includes Billing Configuration, Mortgage Code Maintenance, GL Accounts for Billing and Payments and Optional Revenue Setup.
- Show the customer how to enter accounts and properties.
- Show the customer how to enter adjustments/manual bills to get the balances on the accounts before the first billing cycle.
- Show the customer how to run bills.
- Show the customer how to enter payments and overpayments/prepayments.
- Show the customer how to refund prepayments
- Show the customer how to run the different reports.

If additional training is required, then there will be an additional fee of \$850.00 per day.

*** PAYMENT SCHEDULE**

- 30% OF SOFTWARE PLUS 75% MANAGEMENT FEE AND CONVERSION DUE UPON SIGNING OF CONTRACT = \$ 20,066.10.

- 60% OF SOFTWARE AND 25% MANAGEMENT FEE AND CONVERSION DUE UPON COMPLETION OF INSTALLATION AND TRAINING = \$18,678.70.

- FINAL 10% OF SOFTWARE AND 100% OF SUPPORT FEES DUE 30 DAYS AFTER COMPLETION OF INSTALLATION AND TRAINING = \$ 6,898.00.

Please Note: Final payment will be due no later than 60 days from installation and training of first module unless the delay is the fault of Southern Software.

*** Payment Schedule above reflects requested change from letter dated June 26, 2006**

COMMENCEMENT OF SUPPORT

- Citi-Pak™ - Support period will begin after the completion of training not to exceed 60 days from completion of training of the first module unless the delay is the fault of Southern Software.
- Citi-Pak™ includes 30 days of free support.
- The anniversary date for payment of the support fees will coincide with the date of completion of training. Support fees are billed and due at the beginning of the support period.
- Copies of Support Agreements are attached.

SUPPORT FEES

<u>QTY</u>	<u>DESCRIPTION</u>	
1	CITI-PAK™ ANNUAL SUPPORT - 8 HR/5 DAY PER WEEK	\$ 4,500.00
TOTAL PRICE		\$ 4,500.00

**SOUTHERN SOFTWARE'S
ANNUAL SOFTWARE SUPPORT AGREEMENT
CITI-PAK©
8:30 a.m., EST to 5:00 p.m., EST**

Citi-Pak©. This Software Support Agreement covers support from 8:30 a.m. to 5:00 p.m., EST, Monday through Friday.

Problem Resolution

Southern Software will provide customer software support for mission critical operation of Citi-Pak©, from 8:30 a.m. to 5:00 p.m., EST, Monday through Friday. This Agreement does not constitute a warranty but provides for mission critical problem resolutions and non-mission critical problem resolutions of repeatable errors during normal business hours, EST. Southern Software cannot warrant the product will operate free of problems in perpetuity. Southern Software does not warrant third party software applications used in programs provided to customers, i.e., Microsoft® Word. The purpose of this Agreement is to provide the necessary technical assistance to ensure a timely problem resolution and to minimize down time. Mission critical is defined as "any problem that renders the entire system unstable or inoperable".

For problems covered under this Agreement, Southern Software will provide the following:

- Telephone response within five hours of notification of the problem. During this initial response, support personnel will determine the nature of the problem and severity. An attempt to resolve the problem will be made by giving instructions to the customer.
- If this is unsuccessful or the severity too great, then Southern Software will escalate to a Level 2 response. A Level 2 response involves a support technician connecting remotely to the customer's network using industry standard secure remote diagnostic methods to attempt to resolve the problem.

The user understands support staff may provide a temporary fix. A permanent fix will be provided at a later date.

Program Updates

Southern Software will provide program updates to support customers as new updates, fixes and features are added. Updates will be made universally to all supported customers at one time. No custom programming will be performed.

Third Party

If, at any time, an update of a third party's software is required, Southern Software will not incur the cost of such upgrade.

System Administrator

The customer agrees to have a designated administrator (primary contact for support and update issues). It is highly desirable that the administrator be knowledgeable in networking and Windows® operating systems.

Virus Statement

The customer agrees to have virus protection software loaded on each machine and agrees to update it weekly. (Southern Software recommends updating your virus protection software on each machine daily.) This support contract does not cover assistance in the recovery of damage caused by viruses. Southern Software will charge an hourly fee for virus recovery assistance.

Items not covered under this annual support agreement –

- Installation and setup of new equipment.
- Transferring of data.
- Moving equipment from one site to another.
- On-site reinstallation of Southern Software products or installation/reinstallation of third party software/products.
- Virus damage/recovery repair work.
- Recovery/repair work related to natural disasters such as lightning, floods, etc..
- Replacement of equipment that is out of warranty.
- Tax data conversions are not covered under the annual support fee.
- Cost of upgrades to third party software including but not limited to Microsoft® products (ie. Office, SQL, etc.), Anti-virus software, PcAnywhere™, etc. or cost of updates to operating systems.

Benefits

- The Software Support Agreement only covers software developed by Southern Software and pcAnywhere™.
- Toll-free telephone support, Monday through Friday, 8:30 a.m. to 5:00 p.m., EST
- 24-hour fax availability
- Subscription to our newsletter, On-line
- Software Updates
- Free consultations about computer needs
- Modem support
- Free hardware/network assessments for upgrades.

System Access/Customer Responsibility

The customer agrees to provide a dedicated telephone line capable of remote access to a designated computer. The computer designated for dial in support shall have access to all computers on the network. This computer must have pcAnywhere™ installed.

This Annual Software Support Agreement provides coverage beginning thirty days after the “go live” date. Support coverage is free during the first thirty days beginning on the “go live” date.

Annual Support \$4,500.00

By signing this document you are confirming that you have read and understand the terms and conditions of this annual support agreement.

Important- Support Renewal Clause

A lapse in support renewal will require that all outstanding support balances be paid in full prior to reinstatement of support. Support fees are non-refundable.

Customer Representative Signature

Date

TOWN OF CHINCOTEAGUE, VA
Name of Department

DATA CONVERSION CONTRACT

Southern Software, to the extent that it undertakes or provides Data Conversion Services for Chincoteague, VA, provides Data Conversion Services as an accommodation to Chincoteague, VA, on an “as is” basis, and makes no warranties, express or implied, including, but not limited to, any warranties of merchantability or fitness for particular purpose related thereto or that the results of the Data Conversion Services will be free of significant and material errors.

To convert data from one vendor to another has inherent limitations. Data fields may not always match or be in compatible formats, Data may or may not be readable or in a format that can be read (i.e. compressed or encrypted). It is our standard procedure to deliver a complete conversion when attempting this task. We will explore all ways in attempting this conversion, however we cannot guarantee a 100% conversion.

As agreed upon, Southern Software will attempt to convert the Utility Billing, Tax Billing and Business License customer data. No transaction information will be converted (see Description of Goods and Services regarding outstanding tax balances). Southern Software will require another copy of the current data files, in the same format and on the same media as was originally provided, approximately one week prior to install.

Signature

Date

Robert Ritter

From: Joe LaBuda [jlabuda@harriscomputer.com]
Sent: Tuesday, October 03, 2006 8:03 AM
To: 'Robert Ritter'
Cc: 'Karen Hipple'
Subject: Meeting

Mr. Ritter –

I did listen to the council meeting online tonight and wanted to follow-up with you on a few items:

- You were 100% correct that the 15 days of on-site training will be split up and delivered in 'chunks' according to particular product being implemented.
- As for the additional training days, if needed, I would be open to discussing a further cap on the travel and lodging expenses in order to allow you to better forecast any expenses.
- As for the pricing of iConnect, there would *not* be a reduction of \$5,000 off of the purchase price if you did not opt to go with the e-Billing feature. There is a \$900 setup fee for iConnect which can be removed but for the e-Billing itself, the only fees are for your customers that opt to receive their bills via email.
- In regards to credit card transaction fees, we do have other customers that choose to pass these fees along to their customers in the form of 'Convenience Fees'. This is entirely up to you.
- The iConnect monthly hosting fee that was questioned is based on the number of accounts (approximately 3000) that are listed under the Hosting Fee line on the second page of the proposal. The fees are listed below the line, not next to it.

Please let me know if I missed any of the items that need to be covered.

Thank you.

Joe LaBuda
Manager, Professional Services



Phone: (716) 297-8005 ext. 223
Fax: (716) 297 - 4499
Email: jlabuda@harriscomputer.com
5540 Porter Road
Niagara Falls, NY 14304

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Robert Ritter

From: Chris Mills [topher86@gmail.com]
Sent: Tuesday, October 03, 2006 7:34 AM
To: ritter@chincoteague-vi.gov; karen@chincoteague-vi.gov
Subject: Harris questions

I listened to the council meeting last night and heard the questions that Council asked. Here is some answers to some of the questions & some other information that I thought could be helpful:

E-Bills are automatically generated; staff does not have to do anything for this to happen. The e-bill payment is automatically processed and is automatically posted into the system. Harris has estimated that the total cost of a paper bill is \$1-\$2 per bill, e-bill is .40 cents per e-bill.

iConnect fees are \$1,800 upfront- that is included in the "total upgrade cost." The monthly fees would not start until the iConnect product itself goes live, with the exception of the \$185 monthly hosting fee.

The charges would vary greatly depending on consumer use. An extremely high estimate is \$13,400, *total* cost per year. iConnect will only cost as much as it is used- the more customers use it, the more it will cost.

It is highly recommended to purchase iConnect in the contract, even if it is Council's decision not to activate that system until a much later date. It will cost more to purchase it later. Harris' documentation states that they have confirmed that the Municipalities can pass the fees associated with iConnect to its credit-card paying customers.

iConnect purchase requires 12 month hosting commitment at \$125 per month.

Our computers in the office actually have to work harder to run our current DOS based system than it would to run new Windows based software. All the computers in the office currently run Windows XP, and in order to run DOS based programs, Windows XP has to create a "virtual DOS based environment" which uses a lot more computing power than just running Windows based programs on a Windows based computer. This creates a problem where staff can not switch programs for example, Microsoft Word, without closing the DOS based programs.

Harris strongly recommends a battery backup on each workstation computer for the purpose of properly shutting down each computer. If power were to flicker or go out while a transaction was taken place on a computer, it is possible that data on the server would be come corrupt and would result in system down time and a call to Harris support to correct the problem. This would be at a cost of approx. \$70 per workstation at a total of 10 workstations.

I also recommend that Harris be at the next council meeting to answer any other question that they may have.

Robert Ritter

From: Karen Hipple [karen@chincoteague-va.gov]
Sent: Wednesday, October 04, 2006 4:54 PM
To: 'Robert Ritter'
Subject: FW: Updated Proposal
Attachments: V4 Chincoteague VA Upgrade Quote.doc

From: Joe LaBuda [mailto:jlabuda@harriscomputer.com]
Sent: Wednesday, October 04, 2006 4:50 PM
To: 'Karen Hipple'
Subject: Updated Proposal

Hello Karen –

Attached is the updated proposal.

Notes:

5 additional days of training have been added to the latest version of the upgrade proposal for several reasons. First, adding these days now will lock in the cap on travel and lodging costs at the rate of \$200/day. This will allow the Town to better forecast upcoming expenditures related to this project. Secondly, the additional days will allow for follow-up training on the more advanced features of the systems. Initial training can be 'information overload' and the extra days will allow the Town to utilize the software in the most efficient manner possible and allow for any re-training on areas of the software in question. An important point to note on the additional training days is that the Town will only be responsible for the cost of these days if they are used. If the original 15 days of training turns out to be adequate, the remaining days will not be billed to the Town. Shortchanging the number of on-site days at the outset of a project can lead to challenges and unnecessary frustrations and expenses later down the road.

Thanks and please let me know if you have any questions.

Joe

Joe LaBuda
 Manager, Professional Services



Phone: (716) 297-8005 ext. 223
 Fax: (716) 297 - 4499
 Email: jlabuda@harriscomputer.com
 5540 Porter Road
 Niagara Falls, NY 14304

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Upgrade Quotation

-Prices effective 30 days from 9/22/2006-

The understanding **Town of Chincoteague** of 6150 Community Drive, Chincoteague, VA 23336 and **Harris Computer Systems** of 5540 Porter Road, Niagara Falls, NY 14304 confirms the purchase of the following licensed software products and or services:

Licenses:	Price:	Annual Maintenance:
FlexiBill Utility Billing System	\$5000.00*	\$700.00
Meter Reader – FlexiBill Subsystem	\$2000.00*	\$200.00
PayForce	\$3500.00*	\$600.00
MicroFund (Includes AP, BA, & BP)	\$4000.00*	\$600.00
Cash Management / Reconciliation	\$2000.00*	\$200.00
Departmental Purchasing	\$2000.00	\$150.00
Central Receipts	\$2500.00*	\$500.00
Property Tax Manager	\$1500.00	\$600.00
Business Licenses (Includes Meals & Lodging)	\$1500.00	\$500.00
Personal Property Tax	\$1500.00	\$500.00
Auto Decal System	\$1000.00	\$300.00
Advantage Database Server 10 User	\$1210.00	\$100.00
Advanced Budgeting Module	\$1500.00	\$300.00
Account Bar-Code Subsystem (Includes 1 Scanner)	\$1500.00	\$200.00
Annual Real / Personal Property Tax Data Import	N/A	\$750.00
Epson 325 Receipt Printer	\$400.00	N/A
MMF Cash Drawer	\$225.00	N/A

*'Software for Life' benefit with current paid maintenance contract.

License Cost:	\$31,335.00	Annual Maintenance: \$6,200.00**
Less "Software for Life" Benefit:	\$21,000.00	
Total License Cost:	\$10,335.00	

**Annual maintenance amounts on the products listed above will be activated when the applicable system is 'live'. Maintenance already paid on legacy products will be prorated and credit will be applied to new maintenance or future invoices. The above listed maintenance amounts will be locked in and not applicable to an annual increase until July of 2009.

Professional Services:	Price:
Project Management:	
Project Management to Coordinate All Activities	\$500.00
Application Installation / Database Configuration:	\$500.00
Data Conversions (Estimated based on daily rate):	
Utility Billing	\$1500.00
Payroll	\$1500.00
Accounting	\$1500.00
Business License	\$1500.00
Real Estate Property Tax	\$1500.00
Personal Property Tax	\$1500.00
iConnect One-Time Setup & Configuration Fee for Account Inquiry	\$900.00
iConnect One-Time Setup Fee for eBill Setup and Configuration	\$900.00

Application Consulting / Training:

Estimated 20 Days On-Site

\$16,000.00

Total Services Cost: \$27,800.00

iConnect Fee Schedule

iConnect Web-Application Hosting Fee (Paid by Purchaser to Harris):

Price

Monthly Hosting fee: – based on estimate of 3000 accounts
Calculated as follows: \$125 base charge (includes first 1000 accounts)
plus \$0.03 per account for all accounts in excess of 1000.

\$185/month

e-Bill Notification:

(Paid by Purchaser to Harris)

Per-item fee for each generated e-Bill notification

\$0.40/per eBill

(Note: This e-Bill notification fee should be offset by the elimination of your current costs for forms, postage, and handling-labor whereas a paper bill will no longer be generated)

Estimated ePayment Merchant Account Fees: **NOTE: Merchant Account Fees are subject to change and will vary depending on the specific Merchant Account Provider available at the time of implementation.**

(Paid by Purchaser to goEmerchant, LLC. and Purchaser's Acquiring Bank.)

▪ **Credit Card Payments**

- \$49.00 initial merchant account setup fee.
- \$29.95 annual merchant account fee charged 3 months after initial setup and billed every year thereafter
- \$29.95 monthly credit card network gateway fee.
- \$15.00 monthly bank statement fee
- \$0.25 Batch-Header Fee (typically once per day)
- 2.25% Qualified Discount Rate plus \$0.32 per transaction
- 3.39% Mid-Qualified Rate plus \$0.42 per transaction
- 3.95% Non-Qualified Rate plus \$0.42 per transaction

▪ **ACH Electronic Check Payments** **NOTE:** This feature will be available Jan 2007.

- \$9.95 monthly bank statement fee
- \$0.75 per item processing fee
- \$0.75 per 'returned' ACH item fee

Minimum Hardware Requirements:

Application Server

Pentium III 650 Mhz, 256 MB memory, 250 MB free space in addition to operating system requirements.
Windows 2000 Server SP4 or greater
Windows 2003 Server or greater

Login that runs at console level of server
(Synergy V 7.51 or higher if used by former CSI client)
.NET Framework must be installed.

ALL current security patches.

ftp access via internet port 21

http access via internet port 80

RDP, VNC or PcAnywhere setup and working for remote support.

DSL, Cable Modem or T1 Internet connection 640K or faster for semi-daily uploads/downloads of data.

It is the Purchaser’s responsibility to update their website with the required hyperlink which points to the iConnect application residing on the Harris web server. Purchaser must instruct their webmaster to contact Harris for the hyperlink specifications.

Term:
iConnect purchase requires an annual 12-month hosting fee commitment in the first year and for each subsequent annual renewal, and requires signed agreement to Web-Enabled Addendum to Harris Purchase Agreement.

Total Upgrade Cost: \$38,135.00 + Travel & Lodging* & iConnect Related Fees

*Travel and Lodging costs are to be billed to the Town of Chincoteague at a rate of \$200.00 per day of on-site services.

Optional Products / Services:	Price:	Annual Maintenance:	Initials:
Code Enforcement / Land Records		\$4000.00	\$800.00
Codes– 12 Hours Phone Training		\$1500.00	

Programming Modification – A customization will be required in order for the Harris Meals / Lodging system to accommodate rapid payment entry for owners of multiple rental properties. At the present time, payments will need to be entered on each individual rental property. Harris guarantees that a modification will be made to its payment entry system to expedite this process through a payment import routine or the development of a rapid payment entry screen. An analysis to discern the best approach will be conducted with Harris and the **Town of Chincoteague**. Following this analysis, the change will be added to our development schedule to be completed in an agreed upon timeframe.

As a result of this purchase, **Town of Chincoteague** agrees to the following purchase terms and conditions:

Order Processing:
Order will be processed with the return of signed document and an initial payment of 25% of the total purchase price as outlined above. Orders will not be processed until both of these two requirements are satisfied.

Payment terms:
Balance of purchase price shall be billed after delivery and due Net (15) days. **Delivery Media Type:** CD-ROM

Payment Schedule
Remainder of license costs will be billed following installation.
Remainder of professional services will be billed following delivery of each service. The **Town of Chincoteague** will only be responsible for payment on services rendered.

Delivery warranty:
Harris specifically warrants that all products and or services contained here in shall be delivered within sixteen weeks of signed documentation. In the event that Harris, for reason unto itself, cannot perform delivery within ten weeks, **Town of Chincoteague** shall be entitled to refund on the portion of the initial payment that applies to the undelivered item.

Optional Products & Services
Pricing relating to the Optional Products and Services listed above will be available to the **Town of Chincoteague** until October 1st, 2008.

Return Policy:
Should a product outlined above be defective in performance and inoperable, **Town of Chincoteague** will receive full refund, less shipping fees, of amount paid for such product provided written notice has been given to Harris no later than 45 days after delivery and that a solution cannot be provided within 96 business hours after certified receipt of such notice.

Returns for reasons other than product defects shall be subject to a 15% restocking fee.

Maintenance and support fees (MSF):

Maintenance and Support fees (MSF) include all program updates, enhancements and general releases as well as access to the Harris support hot line while these fees are in effect. Lapses in annual MSF fees will be monitored and will lead to denial of support and upgrade privileges. In the event of a lapse, Purchaser will be subject to reactivation fees not to exceed 40% of the current annual MSF applied to each year of the lapse including partial year lapses plus the amount representing "the lapsed" MSF fees. The services provided by the technical support staff are outlined in the Harris Software Support Agreement Standard Guidelines.

To ensure effective support Purchaser is required to establish and maintain a communication link between Purchaser and Harris. It is Purchaser's responsibility to ensure the connection is valid at Purchaser's location so that Harris can connect to Purchaser's site and resolve support issues. Current supported methods of connection are:

- PC Anywhere (#1 Recommended Method)
- VPN
- RAS
- Direct Connection (Modem)
- Remote Desktop Connection

Customization(s):

Customization(s) not identified on this purchase order or report modifications are quoted as requested and billed at the hourly rate of \$125.00.

Training / Application Consulting:

Training is available on site or via the Phone. Phone training is billed at \$125.00 per hour. On site training is billed at \$900.00 per day plus travel, lodging and per diem expenses. Help line support does not include training. New employees must be trained by **Town of Chincoteague** or by making arrangements with Harris. On-site training / consultation may include but is not limited to: software installation / configuration, data validation, system setup, system balancing, interface setup, interface testing, process training, and business requirements gathering. Page 1 of this proposal lists on-site services at \$800.00 per day. Any additional days needed will be subject to Harris' daily rate of \$900.00 per day.

Data Conversions

The success of a data conversion is based on the format and quality of the input data. Unless otherwise indicated, conversion is strictly limited to non-dollar amounts. A listing of data to be converted has been provided to the **Town of Chincoteague** for utility billing, finance, and payroll via an Excel spreadsheet. A typical utility billing conversion includes information such as names, addresses, phone numbers, and services. Only information explicitly listed in this document will be converted. Initial cost estimates for conversion are included in system pricing proposals but these are only estimates until inspections or sample data can be examined to verify data formats and data integrity. Only then can an accurate conversion cost can be established. Any costs associated with obtaining the data from the existing vendor are the responsibility of the Purchaser. Sample data shall be provided in standard fixed length format with ASCII display characters only. Data must be on a media formats readable by Harris. File layouts must include:

- | | | |
|---------------|----------------|------------------------------------|
| * Record size | * Field length | * Field starting and ending points |
| * Field name | * Field type | * Data field description |

Where ever possible, the data extraction shall be done twice. The first extraction is to test and create the conversion tools. The second extraction is done when the implementation is ready to go live.

Acknowledge of Purchase: By the signing of this purchase order in the space provided below, the parties acknowledge their acceptance of the purchase and agree with the terms of this sale as set forth above.

: **Town of Chincoteague**

By:_____ Date:_____

Title:_____

